

AHCCCS Reform:¹ What People with Developmental Disabilities and Their Families Need to Know

To cut state costs, Governor Janice K. Brewer enacted changes to Medicaid programs administered by the Arizona Health Care Cost Containment System, or AHCCCS,² many of which have recently taken effect. The proposed Medicaid Reform Package was estimated to cut state costs by \$500 million. Following are a few of the changes currently underway.

SUMMARY OF CHANGES

A 5% Reduction to All Providers. All AHCCCS service providers will be reimbursed at a lower rate than last year. This five percent cut follows cuts to providers over the last two years, while at the same time expenses continued to grow. Further, many service providers receive only the reimbursement rates that they receive from Division of Developmental Disabilities. There is no other source of revenue to offset the reductions. Some of the affected providers that deliver services to people with developmental disabilities include: group homes, adult developmental homes, in-home services and attendant care, housekeeping, and job training and placement.

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A Reduction in Respite Hours. Respite care, funded through AHCCCS, is temporary care that allows a caregiving family to receive time away from caregiving. The number of respite hours available for adults and children receiving ALTCS Services and/or Behavioral Health services was reduced from 720 to 600 hours per contract year.³

¹ Governor Brewer's AHCCCS Reform package available at www.azahcccs.gov/shared/news.aspx#GovernorBrewersMedicaidReformPackage

² For more information on Arizona's Medicaid program and how it assists people with developmental disabilities, see Arizona Developmental Disabilities Planning Council brief, "AHCCCS Medical Services and ALTCS: Defining the Difference for People with Developmental Disabilities and Their Families."

³ It was originally slated to be cut by 50%, but the public expressed support for the program, so the cuts were reduced to just over 15%.

Benefit Reductions. The number of hospital days covered by AHCCCS was reduced from 30 to 25 per year.⁴ This follows 2010's elimination of benefits that included dental care, podiatrist visits, insulin pumps, hearing aids and cochlear implants, and wellness exams.

Enrollment Freeze of Childless Adults. Starting in July, AHCCCS no longer accepts enrollments for childless adults. Those currently on AHCCCS will continue to receive AHCCCS benefits as long as they meet eligibility requirements and renew their enrollment in a timely manner.⁵

This eligibility change affects those with developmental disabilities who are not qualified for services under the Arizona Long Term Care System (ALTCS). Before the enrollment freeze, AHCCCS applicants with developmental disabilities who did not receive ALTCS could still be eligible for AHCCCS if they met income requirements. If individuals with developmental disabilities do not have children or receive ALTCS, they need to apply through the Disability Determination Services (DDS) in order to become eligible for AHCCCS.

DDS uses a formal definition of disability outlined in the Social Security rules.⁶ If the person is not viewed as severely disabled and as being able to work, he/she may not be eligible for AHCCCS benefits under the current reforms.

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⁴ Some exclusions will apply, such as days in a governmentally operated burn unit, days that are part of a transplant stay, or days in the hospital for behavioral health reasons.

⁵ Currently, eligibility renewals are done annually, but there is consideration of changing the renewal period to six months.

⁶ Social Security Online Disability Planner. Available at www.socialsecurity.gov/dibplan/dqualify4.htm